

Employee well-being and productivity – case Nordea

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***“Happy productive worker”-hypothesis:
employees with high job satisfaction
are more productive in their work tasks
compared to less satisfied
counterparts (Wright & Cropanzano,
2004).***

**Partly
contradictory
findings?**

Linkages between employee wellbeing and performance are weaker when using objective performance measurement compared to subjective measurement (Nielsen et al., 2017)

How we measure employee wellbeing and productivity?

- Work engagement was associated with better productivity among dentists (measured by amount of paid procedure fees) (Hakanen & Koivumäki, 2014)
- Higher level of emotional exhaustion was related to both weaker productivity and customer satisfaction on organizational level (n=81) (Taris & Schreurs, 2009)
- Objective performance is measured dominantly on aggregated organizational rather than group (e.g. team) or employee level (Nielsen et al., 2017)

The linkages between employee wellbeing and productivity- Case Nordea.



- A questionnaire from employee well-being, job resources and demands (n=643), 5-6/2017
- The productivity was measured in four job roles within 3/2017-2/2018 (n=300)

Theoretical background

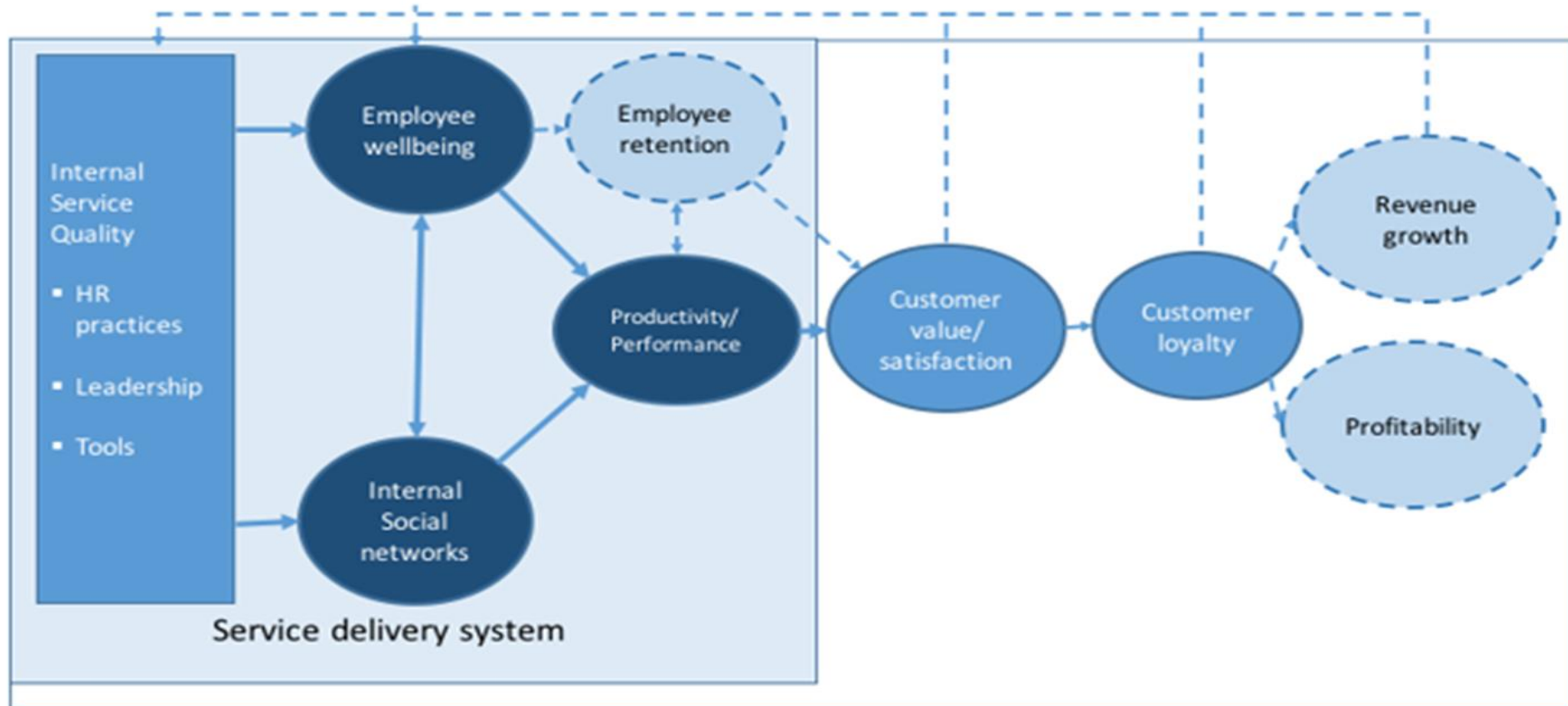


Figure 1 Modified Service-profit chain and the scope of this research project

Two dimensions of employee wellbeing



Work engagement

” At my work, I feel bursting with energy”



Emotional exhaustion

” During my work, I often feel emotionally drained”



**Productivity=
inputs/
outputs**

quantities of outputs in relevant for job roles (e.g., sales of mortgages, life insurances)



How employee wellbeing (work engagement/emotional exhaustion) affects productivity?

Job role	Work engagement (adjusted) ¹	Total R ²
24/7-service adviser (n=78)	.115	.109 [†]
Financial adviser (n=102)	-.023	-.019
Financial adviser (online) (n=46)	-.028	.001
Wealth adviser (n=64)	.251 [†]	.031 [†]

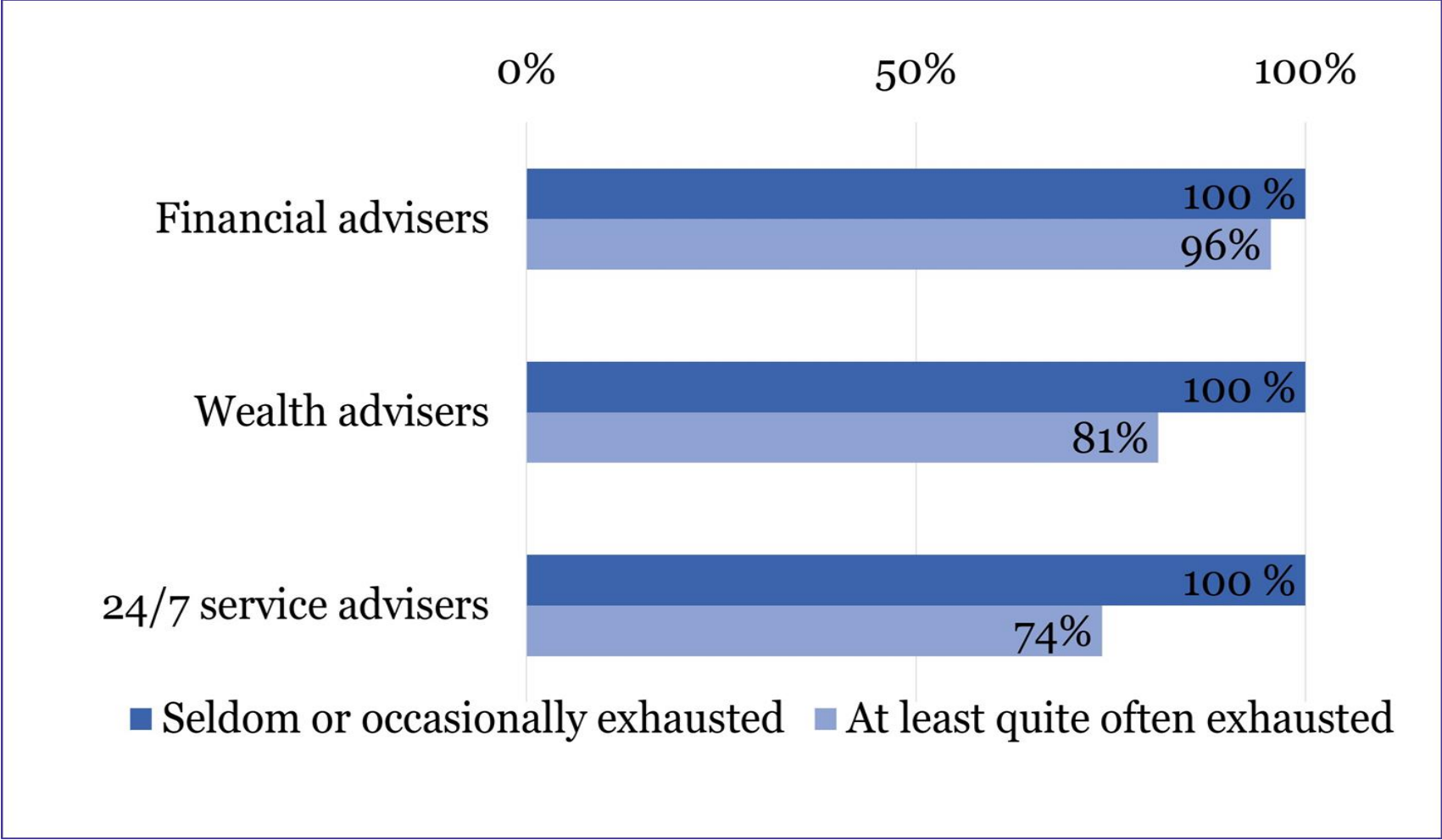
Job role	Emotional exhaustion (adjusted) ¹	Total R ²
24/7-service adviser(n=78)	-.331 ^{**}	.199 ^{**}
Financial adviser (n=102)	-.141	.000
Financial adviser (online) (n=46)	.026	.000
Wealth adviser (n=64)	-.219 [†]	.018 [†]

*p < .05, †p < .10

¹Adjusted for the length of work experience

***p < .001, **p < .01, †p < .10

¹Adjusted for the length of work experience



Technostress creators- threat to productivity?

Technostress creators (i.e., techno-overload) decrease productivity by

- Increasing emotional exhaustion
- Decreasing technology-enabled performance

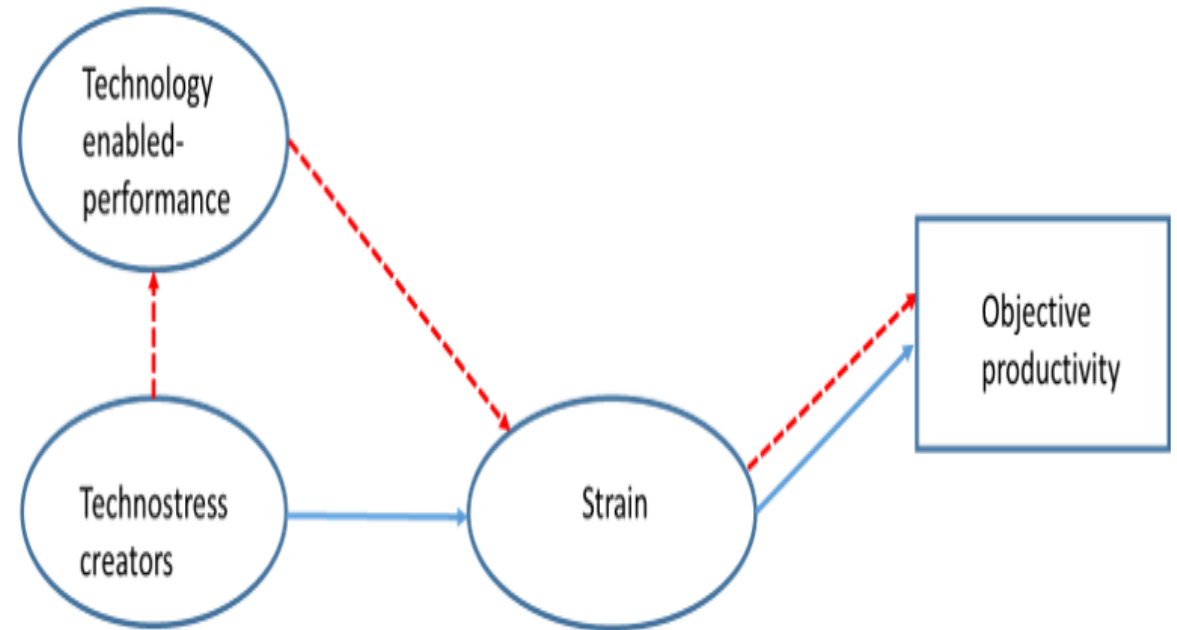


Figure 5 Indirect mediation from technostress creators to an employee's objective productivity

The data comprise two job roles 24/7 service advisers and wealth advisers (n=142)

Implications

Prevent emergence of emotional exhaustion – develop employee wellbeing and productivity systemically

Pay attention to changing work practices due to technology implementation and develop needed competences

Possibilities to increase productivity by developing employee wellbeing– financial industry as an example

The share of financial service employees with emotional exhaustion¹
30 %

The share of financial service employees with emotional exhaustion
Target/goal 10%

The level of productivity 20 % lower compared to not exhausted²

The loss of productivity in a present situation
 $30 \% \times 20 \% = 6 \%$

Tuottavuus 94 %
mahdollisesta

The loss of productivity in a target situation
 $10 \% \times 20 \% = 2 \%$

Prospect of increasing productivity from a present

$(6 \% - 2 \%) / 94 \% = 4,2 \%$

The increased productivity increases sales.

The share of profit increase without additional contribution.

1 T-Media/Finanssiala ry 2014 (28 %)

2 Indicative. Tuottavuusvaikutus riippuu mm. työtehtävästä